

18 JUN 1962

MEMORANDUM FOR: Deputy Director of Central Intelligence

**SUBJECT: Central Intelligence Agency Assistance and
Participation in Congressional Study of
Comparisons of the United States and Soviet
Economies**

1. This memorandum is for the information of the Deputy Director of Central Intelligence.

2. In prior years the Joint Economic Committee of the Congress of the United States has conducted three biennial comparative studies of Soviet economic growth.

a. 1955 - Trends in Economic Growth: A Comparison of the Western Powers and the Soviet Bloc was prepared by the Legislative Reference Service of the Library of Congress in cooperation with the Joint Economic Committee staff during the period July - December 1954. Agency participation was not requested in the preparation or review of this first, more or less exploratory, report.

b. 1957 - Soviet Economic Growth: Comparison with the United States was prepared by the Legislative Reference Service of the Library of Congress and the Joint Economic Committee staff and focused attention on key aspects of the Soviet economy using the United States as a yardstick. At the Committee's request, this study was reviewed by Agency personnel prior to publication and our comments were provided to the staff and to Congressman

Richard Bolling, Chairman of the Subcommittee on Foreign Economic Policy. During this same period, unclassified papers and statistical items were transmitted to the Committee with the request that no reference be made to this Agency as the source. Agency review participation was not noted in the acknowledgements.

c. 1959 - Comparisons of the United States and Soviet Economies. This report consisted of a series of papers prepared by panelists appearing in the Subcommittee's hearings, and the published hearings. The papers were issued in September and October 1959 as Parts I, II, and III of the study. The hearings were published in November 1959. Agency representatives aided the Committee in the selection of the panelists.

On the invitation of the Committee Chairman, the Central Intelligence Agency appeared formally at the opening of the hearings on November 13, 1959 and testimony was given by the Honorable Allen W. Dulles, Director of Central Intelligence; accompanied by Mr. Robert Amory, Jr., Deputy Director (Intelligence); Mr. Edward L. Allen, Chief, Economic Research Area, Office of Research and Reports; [REDACTED], Chief, Analysis Division, Office of Research and Reports; and Mr. Lawrence R. Houston, General Counsel. Testimony of the Agency representatives was set forth in the published record. STAT

In response to a question from Senator Jacob K. Javits during the appearance of Mr. Dulles at the Subcommittee's hearings on November 13, 1959, a paper "Comparison of the United States and Soviet Economies; Supplemental Statement on Costs and Benefits to the Soviet Union of Its Bloc and Pact System: Comparisons With the Western Alliance System," was prepared by the Central Intelligence Agency in cooperation with the Department of State and the Department of Defense. That paper was published by the Committee with the stated credits, on June 17, 1960.

STAT 2. By letter of 24 May 1962, addressed to Mr. McCone, Chairman Wright Patman of the Joint Economic Committee requested that this Agency again extend its cooperation to the Committee by the contribution of summary research papers on subjects set forth in the letter. By letter of 4 June, the Acting Director responded that the Agency would assist in this matter and designated [redacted] Office of Research and Reports, to work with the Committee representative on this matter.

[redacted]

STAT

Assistant Legislative Counsel

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